LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6528 NOTE PREPARED: Mar 28, 2011 **BILL NUMBER:** HB 1522 **BILL AMENDED:** Feb 17, 2011

SUBJECT: Smoking Devices and Tobacco Businesses.

FIRST AUTHOR: Rep. VanDenburgh BILL STATUS: As Passed House

FIRST SPONSOR: Sen. Head

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill provides that a person who sells a smoking pipe or smoking device at retail: (1) must store the smoking pipe or smoking device behind a counter in an area inaccessible to a customer or in a locked display case that makes the smoking pipe or smoking device unavailable to a customer without the assistance of an employee; and (2) may not sell a smoking pipe or smoking device to a person who is less than 18 years of age. It makes a violation of these provisions a Class A infraction.

Effective Date: July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class A infraction is \$10,000, which is deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), the public defense administration fee (\$3), the court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive

HB 1522+ 1

27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

Fiscal Analyst: Diana Agidi, 317-232-9867.

HB 1522+ 2